

Announcement of Advanced Prices and Pricing Factors for September 2006 1/

Release Date: August 18, 2006

Base Skim Milk Price for Class I 2/:	\$6.64	(per hundredweight)
Advanced Class III Skim Milk Pricing Factor:	\$6.64	(per hundredweight)
Advanced Class IV Skim Milk Pricing Factor:	\$6.29	(per hundredweight)
Advanced Butterfat Pricing Factor 3/:	\$1.2703	(per pound)
Class II Skim Milk Price:	\$6.99	(per hundredweight)
Class II Nonfat Solids Price:	\$0.7767	(per pound)
Two-week Product Price Averages:		
Butter	\$1.1736	(per pound)
Nonfat Dry Milk	\$0.8463	(per pound)
Cheese	\$1.1633	(per pound)
Dry Whey	\$0.2925	(per pound)

1/ See Price Formulas at www.ams.usda.gov/dyfm/mib/price_form_2006.htm

2/ Higher of advanced Class III or IV skim milk pricing factors. The Class I skim milk price equals this price plus applicable Class I differential.

3/ The Class I butterfat price equals this price plus (applicable Class I differential divided by 100).

Note: The Class I price equals (Class I skim milk price times 0.965) plus (Class I butterfat price times 3.5), rounded to the nearest cent.

For information only: The Class I base price is: \$10.85
(Sometimes referred to as the Class I mover, it equals (base skim milk price for Class I times 0.965) plus (advanced butterfat pricing factor times 3.5).)